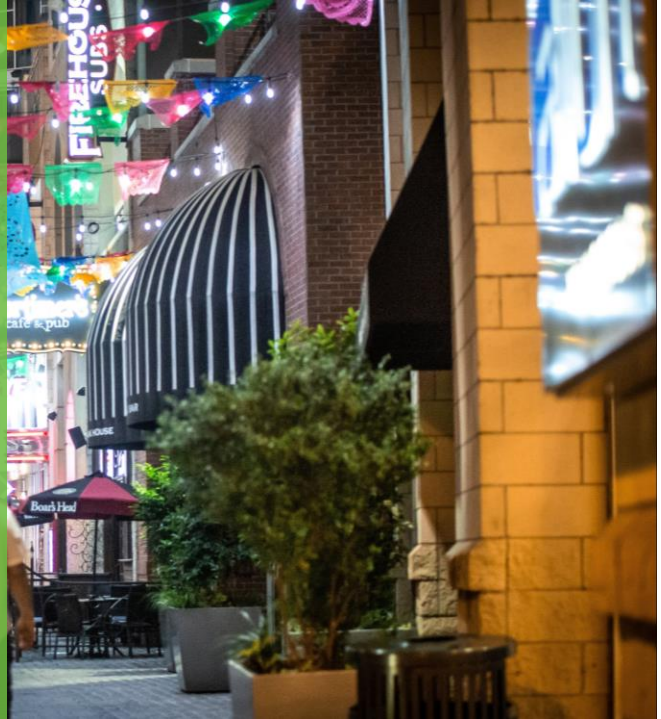


Workforce & Business Development Committee

August 10, 2020

- Committee Referrals
- Open for Business
 - Access to Capital
 - Thrive Initiatives
- TIG Overview



2020 Workforce & Business Development Committee Referrals

Topic	Policy Question
Opportunity Zones and Corridors Program Updates	How should the city be promoting opportunities within the Opportunity Areas?
Workforce Development Strategy	What should be the city's specific role be in advancing upward mobility through workforce development? How can collaborations be built to link the city's efforts more strongly with other workforce development service providers?
Tax Increment Grant	How should TIGs used to promote economic opportunities?
Youth Employment Policy	How can we create a holistic approach from training to job placement for our youth?
Further promoting African American business opportunities	How is the city advancing opportunities for African American businesses?

2020 Workforce & Business Development Committee Referrals

Topic	Policy Question
Workforce Development Plan to reduce high unemployment	What can the city do to reduce unemployment?
Workforce development policy (criteria required for when city funding is included)	How can the city promote workforce development opportunities through city funded programs?
Workforce Plan for Corridors of Opportunity	How should the city be promoting workforce development and opportunities within the Opportunity Areas?
Strengthening workforce development within Diversion program	How can we advance Workforce development in diversion programs? (This could apply to all programs from transit to housing).



August 10th Workforce & Business Development Committee



Survive Strategy Updates

SURVIVE Budget Update (approved 5.26.20)

Program	Budget
Access to Capital	\$30,000,000
Small Business Partner Support	2,000,000
Open for Business Initiative	250,000
Intensive Career Cohorts	1,500,000
Workforce Partner Support	750,000
Small Business Accelerator	500,000
TOTAL	\$35,000,000

SURVIVE Budget Update (approved 5.26.20)

Intensive Career Cohorts	1,500,000
Workforce Partner Supprt	750,000
Small Business Accelerator	500,000

Intensive Career Cohorts:

- Given the time constraints to develop and implement a training program, staff recommends reallocating the \$1.5M budget into Thrive Strategy: Workforce Partner Support

Workforce Partner Support:

- \$500,000 has been encumbered to execute RENEW training cohorts
- \$250,000 remains for partnership grants and will be reallocated into Thrive Strategy: Workforce Partner Support

Small Business Accelerator

- The selection of a partner to establish a small business accelerator has not yet occurred. Therefore staff recommend reallocating these funds into the Thrive strategies that support innovation strategies to help small businesses pivot.

Access to Capital Update

Program Application Overview

- 5,772 businesses submitted or started an application
- 3,405 businesses submitted \$42.88 MM in requests
 - No previous COVID 19 relief (i.e. PPP): 1,555 in the amount of \$17.07MM
 - 5 or less employees: 1,454
 - 6-25 employees: 101
 - Error rate 65%
 - Received COVID 19 relief (i.e. PPP): 1,712 in the amount of \$25.81 MM
 - 5 or less employees: 1133
 - 6-25 employees: 579
 - Error rate 47%

Access to Capital Update

Initial Three Grant Cycles:

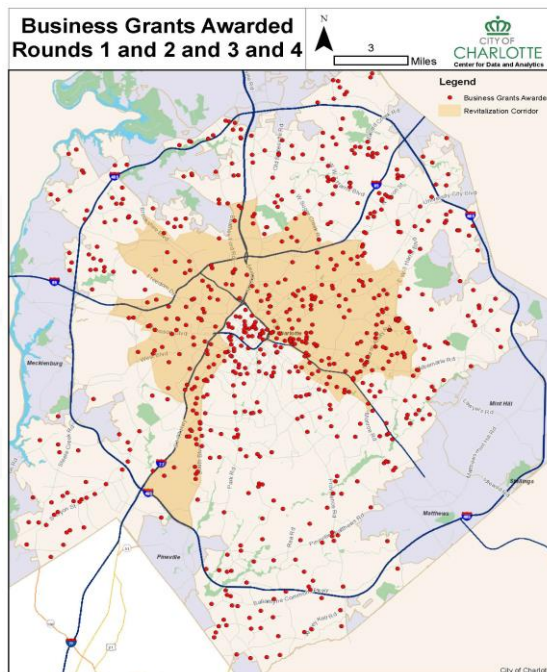
- 391 awards totaling \$4,240,000
 - 369 micro business grants (0 to 5 employees)
 - 22 small business grants (6 to 25 employees)

Fourth Grant Cycle

- 369 awards totaling \$3,855,000
 - 358 micro business grants (0 to 5 employees)
 - 11 small business grants (6 to 25 employees)

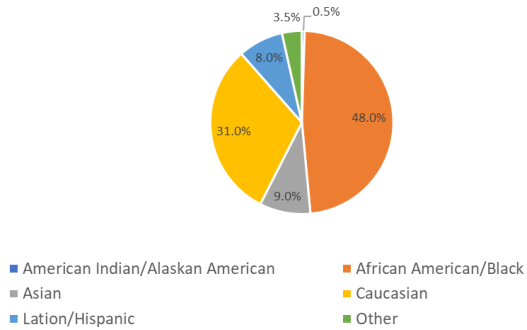
Total Awards: 760 awards totaling \$8,095,000
727 micro businesses and 33 small businesses

Access to Capital Update

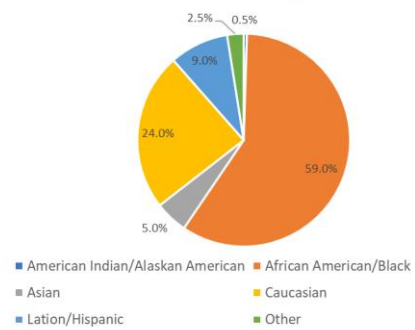


Access to Capital Update

Small Business Recovery Program
Submissions by Race

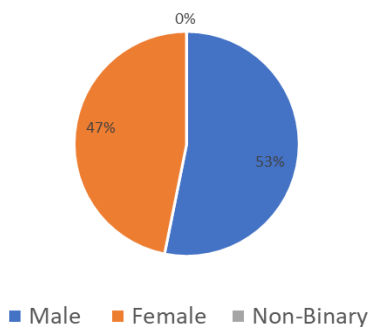


Small Business Recovery Program
Grants Awarded by Race

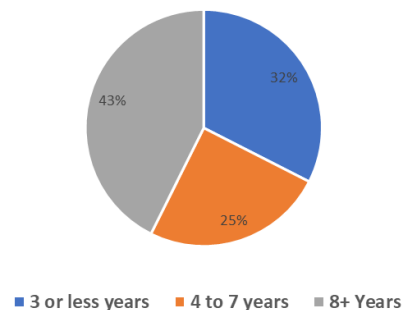


Access to Capital Update

Small Business Recovery Program
Grant Recipients by Gender



Small Business Recovery Program
Grant Recipients -Years In Business



Access to Capital Update

Recommendations and Next Steps

- Open new application period from August 11 - August 30
- Include **all** eligible applications in award selection
- Provide assistance to all small businesses with application errors
- Engage the following community outreach strategy:
 - New application cycle marketing and promotion
 - Engage international small business navigators
 - Operate one in-person application clinic

Timeline

- August 11 – August 30
 - Re-open application: Deadline August 30 at 5pm
 - Deploy community outreach strategy August
- August 11 – October 2
 - Provide assistance with application errors
- August 21 – October 16
 - Bi-monthly award cycles
- October – November 2020
 - Business surveys completed/program closeout

Access to Capital Update

Programming Costs

	<u>Initial</u>	<u>Extension</u>
Program Set-up & Community Impact	\$1,211,000	\$ 383,000
Infrastructure	\$ 490,000	\$ 0
FFTC Management Fee	\$ 675,000	\$ 0
Total Program Extension Costs	\$2,376,000	\$ 383,000

Total Programming Expenses	\$2,759,000
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- 57% of funding into the community
- FFTC absorbing all infrastructure expenses & charging no fees for the 8-week program extension



Thrive

July 14 Proposed Thrive Budget

Program	Budget
Workforce Partner Support	\$2,000,000
Thrive Hiring Grant	\$2,000,000 to \$4,000,000
Workforce Innovation	\$4,000,000 to \$6,000,000
Open for Business Platform	\$250,000 to \$500,000
Intensive Career Cohort Expansion	\$500,000
Resilient Restart Program	\$400,000
Innovate Business Grant Program	\$2,000,000

Thrive Evolution – July 14

Workforce Readiness (Continued)

- Intensive Career Cohorts
- Workforce Partner Support

Business Innovation

- Resilient Restart Program

Thrive Business Grants

- Thrive Hiring Grant
- Innovate Business Grant

Workforce Resiliency

- Intensive Career Cohorts
- Workforce Partner Support
- Thrive Hiring Grant
- Workforce Innovation

Business Innovation & Resiliency

- Resilient Restart Program
- Innovate Business Grant

Thrive Evolution – August 10

Workforce Resiliency

- Intensive Career Cohorts
- Workforce Partner Support
- Thrive Hiring Grant
- Workforce Innovation

Business Innovation & Resiliency

- Resilient Restart Program
- Innovate Business Grant



Workforce Resiliency

- RENEW Career Cohort Expansion
- Workforce Partner Support
- Thrive Hiring Grant
- Open For Business Platform

Business Innovation & Resiliency

- Resilient "Re Up" Program
- Innovate Business Grant
- Restaurant Relief Fund
- Arts & Culture Initiative



Workforce Resiliency

- Workforce Partner Support
- Thrive Hiring Grant
- Open for Business Platform

Workforce Resiliency

Workforce Partner Support

Provide funding to increase capacity of existing workforce development programs to serve a larger population of residents seeking training resources and job placement assistance.

Staff recommends funds be awarded in three categories:

- 1. Operational Expenses:** Could include offsetting operational cost deficiencies, providing technology upgrades to deploy virtual trainings, staff training, etc.
- 2. Increase Program Capacity:** Could include enhancing provision of direct services, providing training scholarships, and expanding capacity for supportive services, etc.
- 3. Workforce Innovation:** Could include funding creative ideas such as public-private partnerships for high-demand career opportunities or targeted COVID-19 displaced workforce programs, etc.

The City will administer this program, along with an outside selection committee.

Workforce Resiliency

Thrive Hiring Grant

Incentivize companies to hire and put residents to work

- Create new jobs in our City that can provide opportunities to our unemployed residents
- Offset the expense of hiring those who have retooled their careers to take new opportunities
- Building off Opportunity Hiring Grant, this is a cash grant, paid to company for each employee hired with full benefits
- Existing and new businesses are eligible that fit the criteria

If money not encumbered or spent by October 15th, we will look at reallocating funds



Workforce Resiliency

Open for Business Initiative

Continue building out a platform that serves as the primary resource for connecting our small businesses and workforce.

- New features including:
 - Small Business Task Force Updates/Information
 - Workforce and Business Development Committee Updates/Information
 - Town Hall resources
 - Mentorship Series videos
 - Active grant opportunities with embedded applications
- New success stories:
 - Small Business Friday posts featuring grant recipients
 - Promoted via social media
 - In the news (media coverage)



Workforce Resiliency

Open for Business Initiative

Future phase features include:

- Additional Platform Updates:
 - Job connector - Digital database of candidates to hire from workforce partners
 - Future grant opportunities with embedded applications
 - Business recruitment information added
- Marketing/Ad Campaign to Support Local Food & Beverage industry
- Job Creation/Company Relocation Campaign



Charlotte Business News

To keep up with business in Charlotte, read our blog.



Business Innovation & Resiliency

- Resilient “ReUp” Program
- Innovate Business Grant
- Food and Beverage Relief Fund
- Arts and Culture Fund

Business Innovation & Resiliency

Resilient “ReUp” Program

Intensive resiliency & continuity plan curriculum for small businesses

- Resiliency plan is critical to small business stabilization and future success
- Building off AMP UP model, curriculum provides cohort based training approach to risk/crisis management and business continuity
- Program is will serve 40-60 small business – all with 25 or less employees eligible
- Phases would include:
 - Knowledge Sharing- Risk Management, Business Continuity, Crisis Management
 - Group Work – Develop Resiliency Plan Approach
 - Refine Plan and Execute – Operationalize Resilience Plan



Business Innovation & Resiliency

Innovate Business Grant

Add capacity and expand the existing Business Innovation Fund created by Honeywell and Charlotte Center City Partners city wide.

- This fund provides grants up to \$40,000 to companies with innovative ideas on how to pivot their storefront businesses to make them more resilient in a COVID-19 economy.
- This grant will provide additional funding and expand the program geography to a city-wide program. Priority will be given to:
 - Storefront businesses that create unique experiences
 - Innovations and adaptations with potential to replicate and scale or create multi-sector collaborations



Business Innovation & Resiliency

Why Relief Funds

Comprised of Accommodation & Food Service and the Hospitality Sector is the 2nd largest industry in Charlotte, with Accommodation & Food Service alone being the 3rd largest industry.

- *By the numbers:*
 - 2,837 restaurants and bars
 - Approximately 51% are locally-owned, non-franchised locations
 - 662 arts, culture, and entertainment venues
 - Approximate X% are locally-owned, non-franchised locations
- *Employment:*
 - Pre pandemic: 81,250 employees and Gross Regional Product of \$4.3 billion
 - More than 26% of continued unemployment claims have been filed since March from workers in this industry – that's the highest of any industry and represents more than ¼ of filed claims
 - 47% of claimants in this industry are Black; 34% are White, 18% are Other or Unknown Race; 9% are Hispanic



Business Innovation & Resiliency

Food & Beverage Relief Fund

Establish a \$5M relief fund to help our food and beverage industry reeling from the on-going impact of COVID -19

- Over 1,500 restaurants and bars in the City of Charlotte
- Creates a specified access to capital program solely for food and beverage establishments with in the City of Charlotte
- Establishes an innovation fund to provide grants used to execute new ideas that help restaurants pivot
- Applications will be hosted on Open for Business platform
- Program parameters and partners are still being determined



Proposed Thrive Budget

Program	Budget
Workforce Partner Support	\$2,500,000
Thrive Hiring Grant	\$750,000
Open for Business Platform	\$1,250,000
RENEW Career Cohort Expansion	\$500,000
Resilient "ReUp" Program	\$250,000
Innovate Business Grant Program	\$1,500,000
Food and Beverage Relief Fund	\$5,000,000
Hospitality / Hotel	\$3,000,000
Access to Capital Implementation Costs	\$2,760,000
<i>Community Works + Infrastructure + Administration</i>	<i>\$1.595M + \$490K + \$675K</i>
Total	\$17,500,000

 CITY of CHARLOTTE

Questions?

 CITY of CHARLOTTE